

Tretårnet ApS

C/O Keystone Investment Management A/S, Havnegade 25, 2., 1058 Copenhagen
K

CVR no. 38 61 41 50

Annual report 2022

Approved at the Company's annual general meeting on 4 May 2023

Chair of the meeting:

.....
James Read Pennington

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Tretårnet ApS for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 4 May 2023
Executive Board:

.....
James Read Pennington
Director

Board of Directors:

.....
James Read Pennington
Chair

.....
Morten Sennecker Schultz

.....
Jacob Albert Rudolf Sergei
Cronstedt

.....
Reinhard Kalss

Independent auditor's report

To the shareholders of Tretårnet ApS

Opinion

We have audited the financial statements of Tretårnet ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 4 May 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kaare K. Lendorf
State Authorised Public Accountant
mne33819

Management's review

Company details

Name	Tretårnet ApS
Address, Postal code, City	C/O Keystone Investment Management A/S, Havnegade 25, 2., 1058 Copenhagen K
CVR no.	38 61 41 50
Established	3 May 2017
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	James Read Pennington, Chair Morten Sennecker Schultz Jacob Albert Rudolf Sergei Cronstedt Reinhard Kalss
Executive Board	James Read Pennington, Director
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company' purpose is to invest in real estate and other related services.

Financial review

The income statement for 2022 shows a loss of DKK 1,098,026 against a loss of DKK 3,733,611 last year, and the balance sheet at 31 December 2022 shows equity of DKK 77,607,372.

As the company's purpose is investment in properties, the Company is affected by changes in the property market, including the general economic conditions. The market situation in the real estate sector is affected by uncertainty, as a result high inflation and increasing interest rates. However, the company's activities have not been significantly affected by this.

The uncertainty related to interest rates and yields has created a gap between buyers' and sellers' expectation to sales prices of properties which is reflected in the lower transaction volume for investment properties in late 2022. This has been reflected in the valuation of the company's property.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2022 12 months	2020/21 15 months
	Gross profit/ loss	-1,388,357	-1,312,441
2	Financial expenses	-19,368	-3,474,240
	Profit/ loss before tax	-1,407,725	-4,786,681
3	Tax for the year	309,699	1,053,070
	Profit/ loss for the year	-1,098,026	-3,733,611
	Recommended appropriation of profit/ loss		
	Retained earnings/ accumulated loss	-1,098,026	-3,733,611
		-1,098,026	-3,733,611

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2022</u>	<u>2020/21</u>
	ASSETS		
	Fixed assets		
4	Property, plant and equipment		
	Land and buildings	308,600,000	183,480,000
		<u>308,600,000</u>	<u>183,480,000</u>
	Total fixed assets	<u>308,600,000</u>	<u>183,480,000</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	4,119,259	4,413,259
	Other receivables	183,273	4,206,227
	Prepayments	475,439	0
		<u>4,777,971</u>	<u>8,619,486</u>
	Cash	<u>16,282,058</u>	<u>5,698,854</u>
	Total non-fixed assets	<u>21,060,029</u>	<u>14,318,340</u>
	TOTAL ASSETS	<u>329,660,029</u>	<u>197,798,340</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2022	2020/21
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	51,000	51,000
	Share premium account	58,883,583	58,883,583
	Revaluation reserve	27,958,502	50,938,609
	Retained earnings	-9,285,713	-8,187,687
	Total equity	<u>77,607,372</u>	<u>101,685,505</u>
	Provisions		
	Deferred tax	5,268,839	12,060,107
	Total provisions	<u>5,268,839</u>	<u>12,060,107</u>
	Liabilities other than provisions		
5	Non-current liabilities other than provisions		
	Mortgage debt	28,444,240	28,444,240
	Bank debt	155,878,222	0
	Subordinate loan capital	45,755,708	32,437,790
	Deposits	40,534	15,503
		<u>230,118,704</u>	<u>60,897,533</u>
	Current liabilities other than provisions		
	Trade payables	10,201,593	18,439,664
	Payables to group enterprises	1,817,975	428,983
	Other payables	4,084,633	4,286,548
	Deferred income	560,913	0
		<u>16,665,114</u>	<u>23,155,195</u>
	Total liabilities other than provisions	<u>246,783,818</u>	<u>84,052,728</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>329,660,029</u></u>	<u><u>197,798,340</u></u>

- 1 Accounting policies
6 Contractual obligations and contingencies, etc.
7 Collateral

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Share premium account	Revaluation reserve	Retained earnings	Total
Equity at 1 January 2022	51,000	58,883,583	50,938,609	-8,187,687	101,685,505
Transfer through appropriation of loss	0	0	0	-1,098,026	-1,098,026
Revaluations for the year	0	0	-29,461,676	0	-29,461,676
Tax on items recognised directly in equity	0	0	6,481,569	0	6,481,569
Equity at 31 December 2022	51,000	58,883,583	27,958,502	-9,285,713	77,607,372

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Tretårnet ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Gross profit/ loss

The items revenue, property expenses and external expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

Property expenses

Property expenses include expenses to running and maintaining such property.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Also, the cost of self-produced assets includes interest expenses in the production period regarding loans to finance the production.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Land and buildings are revalued at fair value. Revaluations and reversals hereof, less deferred tax, are taken directly to equity. The fair value is calculated on the basis of an external assessment, which is based on income capitalisation.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Subordinate loan capital

Liabilities where the creditors have stated they are willing to subordinate their claim to rank after all the entity's other creditors are presented as subordinate loan capital. Subordinate loan capital is recognised using the same method as applies to liabilities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

DKK	2022 12 months	2020/21 15 months
2 Financial expenses		
Interest expenses, group entities	0	423,809
Interest expenses, participating interests	0	5,173
Other financial expenses	19,368	3,045,258
	<u>19,368</u>	<u>3,474,240</u>
3 Tax for the year		
Deferred tax adjustments in the year	-309,699	-1,053,070
	<u>-309,699</u>	<u>-1,053,070</u>
4 Property, plant and equipment		
DKK		Land and buildings
Cost at 1 January 2022		118,174,091
Additions		154,581,676
Cost at 31 December 2022		<u>272,755,767</u>
Revaluations at 1 January 2022		65,305,909
Value adjustments for the year		-29,461,676
Revaluations at 31 December 2022		<u>35,844,233</u>
Carrying amount at 31 December 2022		<u>308,600,000</u>
Recognised interest for the year		<u>1,388,992</u>

Financial statements 1 January - 31 December

Notes to the financial statements

4 Property, plant and equipment (continued)

The property has been valued using the method of income capitalisation to arrive at a capital value. The valuation have been done by CBRE which is a professional appraiser.

The Company's land and buildings is measured at fair value after the fair value hierarchy level 3.

5 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2022	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	28,444,240	0	28,444,240	28,982,376
Bank debt	155,878,222	0	155,878,222	0
Subordinate loan capital	45,755,708	0	45,755,708	0
Deposits	40,534	0	40,534	0
	<u>230,118,704</u>	<u>0</u>	<u>230,118,704</u>	<u>28,982,376</u>

6 Contractual obligations and contingencies, etc.

The group companies are jointly and severally liable for tax on the jointly taxed income of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

7 Collateral

Land and buildings at a carrying amount of DKK 308,600,000 at 31 December 2022 have been put up as security for debt to mortgage credit institutions.

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The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Reinhard Kalss

Client Signer

On behalf of: Tretårnet ApS

Serial number: reinhard.kalss@emcv.at

IP: 83.65.xxx.xxx

2023-05-04 07:31:04 UTC

James Read Pennington

Client Signer

On behalf of: Tretårnet ApS

Serial number: jpennington@europacapital.com

IP: 31.94.xxx.xxx

2023-05-04 12:27:10 UTC

Morten Sennecker Schultz

Client Signer

On behalf of: Tretårnet ApS

Serial number: 2ff2afc5-b26c-4183-8fdf-46e30bad9975

IP: 77.241.xxx.xxx

2023-05-04 13:31:58 UTC



Jacob Cronstedt

Client Signer

On behalf of: Tretårnet ApS

Serial number: 19780213xxxx

IP: 82.118.xxx.xxx

2023-05-04 14:53:51 UTC



Kaare Kristensen

EY Signer

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:73827337

IP: 188.183.xxx.xxx

2023-05-04 14:56:20 UTC



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